

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Transportation cost paid for the purchases of Machinery must be debited to	A. Transportation cost account B. Purchases account C. Machinery account D. Cash account
2	Errors of omission affects	A. One account B. Two account C. Three account D. None of these
3	Errors is casting of subsidiary books are called as	A. Error of omission B. Compensating error C. Error of posting D. Clerical errors
4	If a liability is recorded as income, it will be considered as	A. Error of commission B. Error of omission C. Error of Principle D. None of these
5	The process of totaling the data at the end of the period is called	A. Posting B. Casting C. Compensating D. Recording
6	When two or more than two error occurred on the opposite side of the account and cancelled the affect of each are called	A. Errors of omission B. Compensating errors C. Errors of commission D. Errors of principle
7	Trade expenses of Rs. 180 posted in the ledger as Rs. 810, it will be considered as	A. Error of principle B. Error of omission C. Error of casting D. Error of transposition
8	If goods purchased from Rahim for Rs. 499, credited to Rehman's account for Rs. 499. this is an	A. Error of commission B. Error of principle C. Compensating error D. Error of principle
9	If a transaction has been completely omitted from the Journal it will be considered	A. Error of commission B. Error of principle C. Error of omission D. None of these
10	Error of principle arises when	A. Any transaction is incorrectly recorded, either wholly or partially B. Any transaction is left wholly or partially C. Any transaction is affects one account D. Any transaction is recorded in fundamentally incorrect manner
11	Errors of affect one account can be	A. Errors of principle B. Errors of posting C. Errors of omission D. None of these
12	Preliminary expenses paid in the formation of a company is a	A. Capital expenditure B. Deferred expenditure C. Revenue expenditure D. Capital loss
13	Capitalized expenditure are shown in	A. Trading a/c B. Profit or loss a/c C. Income statement D. Balance sheet
14	Distinction between capital and revenue items is important for the preparation	A. Balance sheet B. Trading and profit or loss a/c C. Bank reconciliation statement D. Both a & b

- A. Revenue expenditure
 - B. Deferred expenditure
 - C. Capital loss
 - D. Non-recurring expenditure
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